## ORAL HISTORY INTERVIEW

## JOE L. GREMBAN

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STATUS OF INTERVIEW: OPEN FOR RESEARCH



Interview Conducted and Edited by: Donald B. Seney in 1994

California State University-Sacramento For the Bureau of Reclamation's Newlands Project Oral History Series



Interview desktop published–2015 By Andrew H. Gahan, Historian

Oral History Program Bureau of Reclamation Denver, Colorado

## SUGGESTED CITATION:

GREMBAN, JOE L. ORAL HISTORY INTERVIEW. Transcript of tape-recorded Bureau of Reclamation Oral History Interview conducted by Donald B. Seney. Edited by Donald B. Seney and desktop published by Andrew H. Gahan, historian, Bureau of Reclamation. Repository for the record copy of the interview transcript is the National Archives and Records Administration in College Park, Maryland.

Record copies of this transcript are printed on 20 lb., 100% cotton, archival quality paper. All other copies are printed on normal duplicating paper.

# **Table of Contents**

Table of Contents i
Statement of Donationiii
Editorial Convention
Introduction vii
Oral History Interview

Mr. Grenbam's Management Style49
The Pressures on Sierra Pacific Power as Mr,
Gremban Becomes President51
The Problems of Water for Sierra Pacific Power and
the Building of Stampede Reservoir 55
The Opposition of Pyramid Lake Indians to an
Agreement over Stampede Reservoir 59
Working with the Pyramid Lake Tribe for a Settlement
61
What Had Happened to Pyramid Lake70
Sierra Pacific Studies of the River System 72
The Success of Sierra Pacific Power in Water Matters
Truckee-Carson Irrigation District

### **Statement of Donation**

## STATEMENT OF DONATION OF ORAL HISTORY INTERVIEW OF JOE GREMBAN

- In accordance with the provisions of Chapter 21 of Title 44, United States Code, and subject to the terms, conditions, and restrictions set forth in this instrument, I, JOE GREMBAN, (hereinafter referred to as "the Donot"), of RENO, NEVADA do hereby give, donate, and convey to the National Archives and Records Administration (hereinafter referred to as "the National Archives), acting for and on behalf of the United States of America, all of my rights and title to, and interest in the information and responses (hereinafter referred to as "the Donated Materials") provided during the instruview conducted on OCTOBER 21, 1994 at REDO, NEVADA and properate for deposit with the National Archives and Records Administration in the following format: tape recording and transcript. This donation includes, but is not limited to, all copyright interests I now possess in the Donated Materials.
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INTERVIEWER: DR. DONALD B. SENEY

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### **Editorial Convention**

A note on editorial conventions. In the text of these interviews, information in parentheses, (), is actually on the tape. Information in brackets, [], has been added to the tape either by the editor to clarify meaning or at the request of the interviewee in order to correct, enlarge, or clarify the interview as it was originally spoken. Words have sometimes been struck out by editor or interviewee in order to clarify meaning or eliminate repetition. In the case of strikeouts, that material has been printed at 50% density to aid in reading the interviews but assuring that the struckout material is readable.

The transcriber and editor also have removed some extraneous words such as false starts and repetitions without indicating their removal. The meaning of the interview has not been changed by this editing.

While we attempt to conform to most standard academic rules of usage (see *The Chicago Manual of Style*), we do not conform to those standards in this interview for individual's titles which then would only be capitalized in the text when they are specifically used as a title connected to a name, e.g., "Secretary of the Interior Gale Norton" as opposed to "Gale Norton, the secretary of the interior;" or "Commissioner John Keys" as opposed to "the commissioner, who was John Keys at the time." The convention in the Federal government is to capitalize titles always. Likewise formal titles of acts and offices are capitalized but abbreviated usages are not, e.g., Division of Planning as opposed to "planning;" the Reclamation Projects Authorization and Adjustment Act of 1992, as

opposed to "the 1992 act."

The convention with acronyms is that if they are pronounced as a word then they are treated as if they are a word. If they are spelled out by the speaker then they have a hyphen between each letter. An example is the Agency for International Development's acronym: said as a word, it appears as AID but spelled out it appears as A-I-D; another example is the acronym for State Historic Preservation Officer: SHPO when said as a word, but S-H-P-O when spelled out.

### Introduction

In 1988, Reclamation began to create a history program. While headquartered in Denver, the history program was developed as a bureau-wide program.

One component of Reclamation's history program is its oral history activity. The primary objectives of Reclamation's oral history activities are: preservation of historical data not normally available through Reclamation records (supplementing already available data on the whole range of Reclamation's history); making the preserved data available to researchers inside and outside Reclamation.

In the case of the Newlands Project, the senior historian consulted the regional director to design a special research project to take an all around look at one Reclamation project. The regional director suggested the Newlands Project, and the research program occurred between 1994 and signing of the Truckee River Operating Agreement in 2008. Professor Donald B. Seney of the Government Department at California State University, Sacramento (now emeritus and living in South Lake Tahoe, California) undertook this work. The Newlands Project, while a small- to medium-sized Reclamation project, represents a microcosm of issues found throughout Reclamation: water transportation over great distances; three Native American groups with sometimes conflicting interests; private entities with competitive and sometimes misunderstood water rights; many local governments with

growing water needs; Fish and Wildlife Service programs competing for water for endangered species in Pyramid Lake and for viability of the Stillwater National Wildlife Refuge to the east of Fallon, Nevada; and Reclamation's original water user, the Truckee-Carson Irrigation District, having to deal with modern competition for some of the water supply that originally flowed to farms and ranches in its community.

The Bureau of Reclamation History Program developed and directs the oral history program. Questions, comments, and suggestions may be addressed to:

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For additional information about Reclamation's history program see: <a href="https://www.usbr.gov/history">www.usbr.gov/history</a>

## Oral History Interview Joe Gremban

# Family and Early Life

Seney: Today is October 21, 1994, my name is

Donald Seney, and I'm with Mr. Joe L.

Gremban at his home in Reno, Nevada. Good

afternoon, Mr. Gremban.

Gremban: Hi.

Seney: Why don't we just start by telling me

something about where you were born, about your mom and dad, what your dad did, how he earned his livelihood, and your years growing

up.

Gremban: I was born and raised in Goodman, Wisconsin,

way up the northern part, near the Upper Peninsula [of Michigan]. My parents both came over in approximately 1910–immigrants from Poland. They were processed through

Ellis Island.

Seney: What was the family name before they

probably were "kind" enough to change it for

you at Ellis Island?

Gremban: Well, the family name, my dad, we've always

gone by Gremban, although we have seen documents from Ellis Island, from the church, and so forth, indicated it may have been B-A, or it may have been B-A-U. We were never absolutely certain what it was, but it came out pretty close. B-A-N is what we actually relied on, once the parents were settled. They settled in Chicago for two, three years, and like most immigrants from the eastern part of Europe, they were farmers. They wanted a piece of property, and they bought a forty-acre plot in northern Wisconsin.

Seney: Did they have to work a couple of years in

Chicago to save the money to buy that?

Gremban: Yes, they had *nothing* when they came over.

Seney: What did your dad and mom do in Chicago?

Gremban: I never did know what my dad did. He didn't

say an awful lot about it. My mother worked for some hotels, as a maid. Of course once they were married, then she terminated any other employment and directed her efforts raising a family. But they bought this piece of property in northern Wisconsin and it was virgin timber. They had to clear off the entire trees and shrubbery, bushes, in order to

provide some tillable land on which they could

raise whatever truck gardens they wished, or hay for the cattle.

Seney: Did they ever talk about the problems of

clearing land? That's quite a job.

Gremban: Well, I can remember part of it myself,

although it was pretty well cleared at the time. But I do remember my dad particularly going out in the treed area, the forested area, and he would cut down the trees, and we would then blow up the stumps—we used dynamite—blow up the stumps in order to clear the property. [It was] mostly done by hand labor or the use of horses to the extent that you could. (aside about noise) So it was some period of time before they were able to actually clear enough acres and be able to raise the grain, the potatoes, and whatever vegetables that we really needed for the family. It was a big family, there were twelve of us originally.

Seney: Twelve children?!

Gremban: Twelve children. One passed away when he

was three years old, but the other eleven have survived until approximately two years ago,

and I've since lost two brothers.

Seney: Where do you stand in the list?

Gremban: Right in the middle.

Seney: What was your birth date? Tell me the day

and month.

Gremban: June 3, 1920.

Seney: (aside about clock chiming) You're a very

long-lived bunch then. Were your parents

long-lived too?

Gremban: No, my dad-of course, we never knew,

because he was killed in an industrial accident when he was about forty-nine years old. My mother had suffered a stroke when she was approximately forty-five, but she survived

until sixty-five.

Seney: What was your father doing when he was

killed?

Gremban: He was working in a chemical plant, and the

machinery was unguarded at that time, and he was caught by one of the pillars and wheels that ran by a tank, and it just tore him between the tank and the wheel. It must have been

fairly instantaneous.

Seney: I would think. Obviously he'd left farming by

that time.

Gremban: No, he did both. He farmed and he worked in

town. Most everybody did back then. They couldn't survive on just the farms alone—the farms weren't big enough. Most of the people only had forty, or at the most eighty-acre farms up in that area. And so virtually all of them worked in town as well as farming evenings, weekends, and whenever they found the time.

Seney: And the kids worked too.

Gremban: And the kids.

Seney: What do you remember about growing up on

the farm?

Gremban: Oh, I can remember working the farm. We did

have a little tractor, and cultivated primarily potatoes, and garden vegetables: cabbages, beans, carrots—all that sort of thing. And it was a hard life, there was no question about it. And up in that area, it's glacial soil and a lot of rocks. I'll never forget the amount of rocks that we picked. You'd almost swear that they grew, because every spring they rose up in the soil and you had to pick them all over again. So every farm there has stacks of rock piles.

Seney: You're smiling, though, as you say this.

Gremban: Yeah, I can remember doing it! (Laughter)

### **Education**

Seney: And you went to school. What was the name

of the town nearby?

Gremban: It was Goodman, Wisconsin.

Seney: Goodman, I'm sorry, yes you did say that. And

you went to elementary school there, and high

school?

Gremban: Well, the first three years I went to a rural

school, one room, one teacher, and the wood was provided. It did have a woodshed. And outdoor outhouses. We enjoyed ourselves, in spite of all of that. Later we were transported, from the fourth grade on, to the Goodman Elementary School. (Seney: A consolidated school?) Right. And subsequently the high school. The first bus that we had was simply a truck with a body constructed on top of it. We'd all hop in, they'd pick up kids as they went along. You think in terms of safety and that, and there just was no concept of safety at the time. They would bolt the door closed to the back of the bus, two benches, one on each side, most of us stood, and drove three miles to school. But it was a very pleasant experience.

I think rural life is something that is unique. It's quite an experience.

Seney: What do you think it gave you that has been

useful to you over the years and contributed to

your considerable success?

Gremban: A desire to improve our lot. My mother and

dad both kept telling us that, "You need an education. You absolutely have to have an education in order to move forward in life." My mother—Dad didn't, of course—but my mother lived to see every one of us graduate from high school and several of us then went

on to college or university.

Seney: At your age, being the age you are, having you

all graduate from high school was a

considerable achievement.

Gremban: Well, that was, very definitely. Of course

World War II was quite an assist in providing us the means to be able to get out and get an education, that program that the government had provided, the G-I Bill. If it hadn't been for that, I'm sure that most of the family would not

have been able to go on to university.

Seney: Sure, that's true of many families.

Gremban: Oh, I think so.

Seney: Let me go back a minute to your primary and

secondary school: Do any teachers stand out, anything besides that school bus and the woodshed, which I take it you knew the direction to the woodshed, did you?

Gremban: Every once in a while, every one of us found

the direction to the woodshed. (laughter) But

no particular standout teachers.

Seney: Were you a good student?

Gremban: Well, I was valedictorian of the class. Then

you've got to keep in mind the class was only

thirty-two. (laughter)

Seney: That's alright!

Gremban: Not necessarily an outstanding achievement!

Seney: Did you enjoy school, though? Did you like

learning?

Gremban: Oh sure, did a lot of reading. In fact,

everybody in the family has always been a bookworm, and we did an *awful* lot of reading. So that was the enjoyment we had, evenings, at home on the farm. You would read books.

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You'd get them from the library at school and we really enjoyed that.

# **The Great Depression**

Seney: You were born in 1920, you said? (Gremban:

In 1920.) So you remember the coming of the

Depression, probably.

Gremban: Oh, I sure do!

Seney: Talk a little about the Depression for me.

Gremban: The Depression was a really difficult period of

time for families throughout the U.S., but in our area of northern Wisconsin it hit the small farmers as much as it did people living I

town, because they actually *needed* that income from working in town, in addition to their farming. However, they did have the

advantage that they were able to raise all of their food products. And that's really what sustained us, because we were able to raise all the vegetables and all the foodstuffs that we needed, supplemented by selling eggs or selling potatoes in town, and using that to buy clothing or whatever was needed. It was an extremely tough time. I can recall when my parents virtually did without a meal in order to provide the kids with something to eat, so

those things stand out. You never got new clothes, always hand-me-downs, and a lot of repair work on them. It's an experience that probably made men and women out of people. So something you wouldn't want to do again, but it's quite an experience to have gone through.

Seney:

Valuable, in any case. (Gremban: Yes.) *How* do you think it was valuable?

Gremban: It

It made us independent, it made us really sit down and think about how we were going to accommodate our needs and proceed with what had to be done. We did without a lot of machinery and that, because it just wasn't in the realm of being able to acquire it, so you made do with a lot of things that you wouldn't otherwise do. Well, when your equipment broke, you fixed it all yourself. You never called in a mechanic or that, you did all that work yourself. We even improvised. Our tractor gave up the ghost and we didn't have a horse at the time, and we did have two old Buicks-1928s as I recall, '26 or '28-and we stripped them down to the frame, cut the frame short, cut the drive shaft short so it was only about six inches long, and had two transmissions joined together, and that was the most powerful little rig you (laughter) ever

saw!

Seney: And you did your plowing with that?

Gremban: We did our plowing, did all our farm work

with that—cut our firewood and hauled it in with that rig. Of course we all had our own wood-cutting rigs, and you'd haul in and you'd pile wood. You couldn't *believe* the amount of wood it took in the course of a winter. Of course none of the homes were insulated, so just like trying to keep the outdoors warm.

Seney: And by 1938 you'd probably graduated from

high school, I would think.

Gremban: In '39.

# Working for the Goodman Lumber Company after High School

Seney: What did you do then? Did you stay there in

Goodman?

Gremban: I stayed in Goodman, and I worked at the

Goodman Lumber Company until the war started. I worked in their lumber yard, piled green lumber. Some of the size of that timber you couldn't find today, but we piled timber that was two inches thick, twenty inches wide,

twenty feet long. And heavy! Oh my gosh, you had to use fulcrums and slide the edge and so forth, in order to accommodate it. But that was some real timber that they had there. I worked in their veneer mill, and we kiln-dried maple, oak, and birch and ran that through the planing machines in order to use it for shoe heel stock, they called it.

Seney: What does that mean?

Gremban:

Lumber, or the cuttings, were about two inches by four inches, or two inches by two inches, [and were] used to make heels for ladies shoes. They'd ship that out East, to the factories, and that's what it was used for. And those planing mills, in those days you never thought about the impact it might have on your hearing, and it was absolutely shrill, and you'd work in that for eight hours a day, and you'd get home at night and your ears were still ringing. I lost my high-pitch hearing as a result of that process.

#### The Start of World War II

Seney:

Do you remember on that Sunday, the attack on Pearl Harbor? Do you remember hearing the news when the war started? (Gremban: I sure do.) Tell me about that.

Gremban: We had just finished dinner—we called it

dinner in those days, lunch nowadays. (Seney: The mid-day meal.) Mid-day. And we all happened to be listening to the radio when President [Franklin D.] Roosevelt came on. It was quite a shock when we heard the news.

Seney: It was a surprise to you? I mean, there had

been news that things had been going on.

Gremban: Oh, there had been news, but we didn't pay too

much attention to that. So it was a real

surprise when it happened.

### Service in World War II

Seney: How long before you enlisted?

Gremban: Well, the attack was December 7, and I signed

up on January 12, 1942, so it was just over a

month.

Seney: Which branch of the service did you enter?

Gremban: I entered the Air Force. It just happened that

my brother, my immediate older brother, had

<sup>1.</sup> During World War, the "Air Force" was referred to as the Army Air Corps. The Air Force as an independent branch of the U.S. military came in 1947.

been *in* service, he was a pilot. He'd entered service in 1939. He was stationed at Kelly Field in a training command.

Seney: Kelly Field was near Chicago, wasn't it?

Gremban: No, Kelly Field in Texas, San Antonio, Texas.

And he was getting married, and so I decided I'd go down there to his wedding and enlist while I was there. It worked out real well. I was lost as far as the Air Force was concerned, for about a week or two. I don't think they ever knew I was there or wasn't there!

(laughter) They finally caught up with a group of us and we started our processing and went

on in.

Seney: What did you do during the war, where did you

serve?

Gremban: Well, I was stationed primarily in Kelly Field;

from Kelly Field went to Strother Air Force Base in Winfield, Kansas. I was a Link Trainer<sup>1</sup> operator for about a year-and-a-half.

<sup>1.</sup> The "term Link Trainer, also known as the 'blue box,' is commonly used to refer to a series of flight simulators produced between the early 1930s and early 1950s by Edwin Albert Link, based on technology he pioneered in 1929 at his family's business in Binghamton, New York. These simulators became famous during (continued...)

Seney: What's does that mean?

Gremban: It's a replica of a little airplane, and we taught

instrument flying, because you did it with a closed cockpit so everything was dark, and you actually operated by radio in order to follow the beams to determine exactly where you

were. You communicated by radio.

Seney: What we might call a simulator today.

Gremban: A simulator, in effect, right. They use

simulators, far more sophisticated now, but they still use simulators. [I] taught that for a couple of years. I wrote a training manual while I was working at it, and then enlisted as a cadet. I went through the cadet training, I had my primary in Stamford, Texas, my secondary in Denison, and my advanced training in Pampa, Texas. In Pampa we flew B-25s at the time. From there we went on to Florida. We flew B-17s. From Florida I went to Denver and flew the B-29s. We had our

#### 1. (...continued)

World War II, when they were used as a key pilot training aid by almost every combatant nation. More than 500,000 US pilots were trained on Link simulators, as were pilots of nations as diverse as Australia, Canada, Germany, Great Britain, Israel, Japan and the USSR." See Western Museum of Flight, "The 1942 Model C-3 Link Trainer," www.wmof.com/c3link.html.

orders cut and were within two weeks of shipping to Okinawa when they dropped the atom bomb, and that was the last time I ever flew again.

Seney: Is that right?! So you spent your whole time

within the United States, training and so forth.

Gremban: Yes, in a training command.

Seney: Was that good duty? I mean, it was safe duty,

obviously.

Gremban: Well, it was safe, but like most people, most

men that age, you all want to go where the action is—it just didn't work out. As a matter of fact, there were four of us in the family in service, and not one of us ever went overseas. My older brother was a pilot, of course, but he was in a training command the entire period of

time.

Seney: Did he help you get into the training

command? Is that how you ended up there?

Gremban: Oh no. He had no influence on that at all. But

another brother was in the engineer corps, and a fourth brother was going through a cadet training sort of program with the universities, when the war ended. But there were four of us in, and you take the same chances everybody else does. It just turned out we never had to go to combat.

Seney: How would you evaluate your military

experience? Is it useful to you?

Gremban: Oh, like most young men at that time, [I]

complained like the rest of them did. And yet at the same time I think you'll find most of them will say that they wouldn't have traded that experience for anything else—but they

wouldn't do it again.

Seney: Were there things that you learned there that

were useful to you as an executive later, do

you think?

Gremban: Well, I imagine there must have been. I was a

squadron commander for a period of time when I was a cadet going through training. As a matter of fact I was either flight commander [or] squadron commander, all the way through my cadet training. I'm sure that has to have had an impact on your approach to working with people and the management style that you

developed over time.

Seney: Sure. When were you discharged?

Gremban: In, I believe it was September of 1945.

Seney: Right out. The war was over.

Going to College on the G.I. Bill

Gremban: The war was over, and they said, "Make your

choice. Do you want to stay in, or do you want to come out?" And I preferred going out and going on to the university then under the G-I

Bill, and get the training.

Seney: Were you able to do that immediately?

Gremban: Oh yes.

Seney: Which university did you go to?

Gremban: University of Wisconsin in Madison, and

straight out from there to Madison and into the

school program.

Seney: What did you major in?

**Getting Married** 

Gremban: Accounting, a B-A in accounting. Of course I

was married before I got out of service.

Seney: Did you meet Mrs. Gremban while you were in

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the service?

Gremban:

At one of the training fields, yeah. She and I met at the U-S-O, and were married in Florida. And then she came along up to Denver when I was shipped to Denver, and then we went on to school in Madison, and like everybody else, tried to get through just as fast as you possibly could. So I went to school year-round. They did offer six-week courses for the summer, so I finished the four-year course in two-and-a-half years and graduated in 1948.

Seney: What did you do then?

# Going to Work for Central Illinois Electric and Gas Company

Gremban:

Well, I'd unfortunately been in an automobile accident. We were visiting up at the hometown and got hit by a drunken driver and totaled our car. So [I] went back to the university—it was two weeks before I graduated. And I went back to the university and graduated, missed out on all of the opportunities for interviews, because [I was] hospitalized for a couple of weeks. But driving from Madison, [we] went through Rockford, Illinois, and on to Wichita, my wife's folks' place, stopped in at Rockford and

the employment office, and they said, "Well, there may be an opportunity with Central Illinois Electric and Gas Company if you want to go up there and stop and put in an application." I did, and about two weeks later got a callback and I was hired. So I started my career with the Central Illinois Electric and Gas Company in Rockford, Illinois.

Seney: What did you do for them?

Gremban: I was an accountant, did taxes, budgeting,

operations, maintenance, auditing. I was very fortunate that I was exposed and had the opportunity to work in so many of the departments: the Budgeting Department, the Tax Department–federal and state taxes—your operation and maintenance costs, your auditing of various activities, and developing systems and programs that we needed at the time.

Seney: What was it that got you so many opportunities

in that regard?

Gremban: Well, there was a gap during the war when

people had not been going to universities, [and] coming back with the experience and the background, and therefore those of us who got through early had a break in being able to get located before the others came onto the work

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force.

Seney: Ah, so you were there a year or so before the

others got there. (Gremban: That's right.) And you were up-to-date on all these things from your accounting professors and so forth, in other words. (Gremban: Oh yes.) You had the

latest courses and theories and notions.

Gremban: And I think there was actually a period of time

when the birthrate was way down, and consequently there weren't as many people out looking for positions as you would normally

find.

Seney: So you had some demographic luck there as

well.

Gremban: Oh yes.

Seney: Were you an ambitious young man? Did you

have your eye on the top job in Illinois Gas and

Electric? (chuckles)

Gremban: No, unfortunately, not per se. [I] just strove to

keep on improving my abilities and taking advantage of opportunities as they came along. I never have even guessed that I would wind up as the chief executive officer of some

company.

Seney: Did you move along pretty well in terms of

your career?

# Coming to Sierra Pacific as Assistant Treasure through Stone-Webster Corporation

Gremban: Yes. Well, for example, I worked in all those

departments in Rockford, and they had a management agreement with Stone-Webster Corporation out of New York, who provided management for smaller public utilities. And they had approximately, oh, twenty-four or twenty-five utilities that they provided a service for, back in the 30s and 40s. And as a result of it, when opportunities came up in one utility, they would look into other utilities that they had services with, for individuals who

may fit the needs that they had.

Seney: It was sort of a built-in search operation.

Gremban: Right. And people moved around between

companies quite frequently in those days. And so the opportunity presented itself here in Reno with Sierra Pacific Power Company, and they asked me if I'd be interested. June and I came out and interviewed and looked around. We liked the place and accepted the job.

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What year was that?

Seney:

Gremban: This was in 1962.

Seney: So your getting the job here was really a

function of, as you describe it, this management [arrangement with Stone-

Webster].

Gremban: Yeah, having been in the utility field for all

those years.

Seney: Did you work all those years for the same

utility company, for Illinois Gas and Electric?

Gremban: Fifteen years.

Seney: How high up had you gotten in that

organization?

Gremban: A senior accountant there, in effect. When I

came here, it was as assistant treasurer.

END SIDE 1, TAPE 1. OCTOBER 21, 1994. BEGIN SIDE 2, TAPE 1. OCTOBER 21, 1994.

Seney: What does it mean to be an assistant treasurer

with Sierra Pacific? What are the duties?

What did you come out to do?

Gremban: The primary duty was to manage the customer

accounting and general accounting functions,

and set up whatever necessary systems you needed, look into your inventories, look into your procedures for managing the company and recording all the data necessary—primarily heading up the accounting functions.

Seney: That gives you a pretty broad look at the

company, then, doesn't it?

Gremban: Very broad, right, very broad.

Seney: I take it this was a pretty good job, then, when

you came out. This was a pretty good jump

and a good promotion for you?

Gremban: It was a good opportunity. The people who I

worked for, Ralph Holdcraft and Roy

Torvenan [phonetic spellings] were at an age that as time went by, I would fit into those positions very nicely, and that's the way it

actually progressed.

Seney: So you kind of noticed this when you came out

for the interview.

Gremban: Oh very definitely, right.

Seney: That the boss is nearing retirement age, and

there may be some opportunity for me here. (Gremban: Right.) That's a very canny thing to

**Bureau of Reclamation History Program** 

think about, I should think.

Gremban: I think everybody does that.

Seney: (laughs) Tell me what was your first

impression of Reno when you came out? Do

you remember?

Gremban: Sort of. You look out to the east of us and it's

unbelievably dry, no trees, no greenery, just the desert landscape. And you wonder initially whether you would fit in with the landscape such as that, and the fact that where we'd been accustomed to all the greenery of northern Wisconsin, Illinois, and that general area. Here we come to a desert climate and you wonder if you'll be able to raise a lawn and grow some trees and shrubs (both chuckle) around your own house. But it's amazing, after you've been here for six months to a year, it just grows on you. We spend a tremendous amount of time-we have a four-wheel drive vehicle, and the family and I, week after week, would be out in the boonies, and just looking around, visiting, taking in ghost towns, and just having an exceptionally good time, and sort of fitting-in with the area.

## **Children and Family**

Seney: You have children by this time?

Gremban: We had three boys.

Seney: Tell me what their names were and when they

were born.

Gremban: Oh boy! (laughter) Ron was the oldest.

Seney: You can insert this in the manuscript when you

get it, if you forget. But tell me what their names are, and roughly when they were born.

Gremban: Ron was born in 1947. Keith was the second

son, and he was born in 1955. Brian is the youngest and he would have been born in 1960. I'll have to get the actual dates. My

wife could tell you, but I can't.

Seney: Mothers always can! It's my son's twelfth

birthday today, as my wife has reminded me

several times this month!

Gremban: Our middle son's was yesterday.

# The Future for Sierra Pacific and the Growth in Electric Power Generation

Seney: Is that right? That's great. What did the

opportunities look like in terms of the growth

## **Bureau of Reclamation History Program**

of Sierra Pacific Power as you came out and you looked? Did it look like the service area was going to grow and it was going to be a growing utility?

Gremban:

Looking back at the annual reports that they'd made available, the prior five years indicated that there was a growth potential in this general area, but [I] never dreamed it would grow as rapidly as it did. When we arrived here in 1962, the total population of Reno-Sparks was about 65,000 roughly. And during the 1960s the population grew at a seventy percent rate. In the 1970s it grew at approximately a sixty percent rate. And the 1980s it dropped down to thirty-five or thereabouts. So the growth was far faster than anybody had ever imagined.

Seney: Was the utility able to keep up with that?

Gremban:

Oh sure. You forecast twenty years in advance, and you base that forecast on data of what has taken place over the past five, ten years, and you trend it to see where you're going. And of course we could see the growth taking place at an extremely rapid rate, and therefore we were able to keep ahead of it, and keep our supply of power, gas, and so forth, water, in proper proportion.

Seney: Let me ask you, what kind of a company did

you find in terms of your fellow workers when you got here and became assistant treasurer? Did it seem like a pretty up-to-date company, kind of an old-fashioned company? How did it

seem to you?

Gremban: Well, they were about as up-to-date on

methods and procedures and equipment as the utility I had been with. I think the people were progressive enough to be able to stay on top of things: For example, about the time that I came here, we had all of our power supply coming in from Pacific Gas and Electric [PG&E] over the Sierra Nevadas. They could see, as well as we, that the transmission lines we had going over the hill just weren't going to be adequate to provide the power. So they were very supportive in encouraging the company to move forward with development of its own power plants. And they did move forward, and the first power plant actually

Seney: Before that, you were really purchasing the

bulk of your power from P-G-&-E.

Gremban: Virtually *all* of the power. They had some run-

of-the-river power plants on the Truckee

went into service in, I believe it was 1963.

River, but in total, that was only approximately

ten megawatts. (Seney: A trivial amount.) That's right. It didn't amount to much of anything. So as they came up with the need, they built the units that were necessary. The first one, I believe, was around fifty-seven megawatts, gas fired, because natural gas was readily available. The second unit was about eighty-three, the third was 110. Then we moved to a new site at Fort Churchill, and built a 110 megawatt unit, followed by a second one, so we had been in the development mode of accommodating the growth and the needs of the area ever since I've been here.

Seney:

Never any problem? You never got behind the curve on these things?

Gremban:

Oh no. We came close to getting *ahead* of the curve, because based on the forecasts of what the growth was like, you could track the demand in electric power almost in synch with growth in the national product. So as the national product was taking off, you could see the growth in the electric demand doing the same thing. So based on those projections, according to *our* forecasts, we were going to need a *tremendous* increase in power supply—never expecting the oil embargo in 1973. The oil embargo hit, it hit hard, and

people started to conserve. They were cutting back on their demands and here we were in a period of time of constructing new facilities. So we could forecast what was happening, and that the demand *was* going to be dropping off, so we immediately cut back on our program. We were able to sell half of one of our coalfired units to Idaho Power Company. We delayed for a year the completion of a second unit, so we were able to curtail our construction program to just meet the demands that were coming along.

Seney: So you had to be able, obviously, to adjust to

this.

Gremban: Oh, definitely had to.

Seney: Because I expect loans would have been

difficult to get and so forth on these new plants. You go to the bankers and the bond people and they say, "Well, gee, we don't need the power," you've got to do something. So you had to be very sensitive to that.

Gremban: You had to, from a financial point of view, not

*just* the fact that you might have been overbuilding and would have had a problem to finance it. Fortunately, we did *not* overbuild, but by the same token, the interest rates were

climbing so rapidly. We were in that inflationary spiral, when interest rates, short-term, hit as high as twenty-some percent. And so money was very scarce at that time, and we put together, which I think was the first construction trust used by the utilities in the country, whereby we asked a bank to take over the funding of our new power plant and they would provide us the funds as we needed them, and then when the unit went into operation, we would take it out with stock issues, long-term debt issues, and so on, and it worked out just beautifully.

Seney: So you had to be a little creative, obviously.

Gremban: You sure did.

## The Career Path Utility Company Executives

Seney:

You know, it's interesting to me, how you got to Sierra Pacific Power, and Mr. [Neil] Plath<sup>2</sup>, whom you know I've also spoken to, (Gremban: Right.) didn't quite take the same

<sup>2.</sup> Mr. Plath participated in the Bureau of Reclamation's oral history program, see Neil W. Plath, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interview, conducted by Donald B. Seney, Bureau of Reclamation, August 14, 1994, at Reno, Nevada, edited by Donald B. Seney, www.usbr.gov/history/oralhist.html.

route, but almost. I think he may have worked directly for the company [Stone-Webster] that settled you here. (Gremban: He did.) But low-level employees, tend to be with utilities forever. (Gremban: That's right.) But that isn't true of the executive corps.

Gremban:

Not generally, no. And of course it wasn't true in the utilities the size of Sierra Pacific Power Company. Tampa Electric at one time was under the management of Stone-Webster. Gulf States Utilities, twenty-four, as I say, utilities were getting management services from Stone-Webster Corporation. They were the old-time holding companies, a public service company, and so the Insul group.

Seney: Sure, I know that name.

Gremban:

And so since the companies were small, they needed that top-level management. But as they began to grow, then they started bringing in their own people, and installing the assistant treasurers, the treasurers and the engineering operations management and so on. So it was a growth thing. In 1965 or '6, I believe it was, we actually terminated our management services with Stone-Webster-probably a little later than that. But since we were bringing in people who could do everything that Stone-

Webster was providing for us at that time, we didn't' need their assistance any longer, and therefore we started breaking off. And then in approximately 1978 or '80, right in that period of time, we terminated our engineering contracts with them too, because we were at the point where we could make our analysis of what our needs are, we could handle going out and bidding jobs for power plants, transmission lines, just as readily as they could. We had the experienced staff on board, and therefore companies all over the country broke away from the old-time management companies.

Seney:

That's interesting. You know, I bring this up because I wonder if you say that when the oil embargo comes, and here you now have this excess capacity, and you end up selling part of it to Idaho Power–I mean, you obviously know the people at Idaho Power (Gremban: Oh yes.) and they know you. Is this part of the reason they know you and you know them is that some of you came through the Stone-Webster system? Did that help link the utilities together and make more of a sort of "system" out of it?

**How Utility Companies Cooperate** 

Gremban:

No, that was something unique in that the twenty-four companies that Stone-Webster had services for [they] were scattered throughout the country. They didn't have interconnections or anything like that. What did tie the utilities together-not through interconnections or anything of that nature at that time—was the fact that we had associations. The Pacific Coast Electric Association, which covered the states of Hawaii, California, New Mexico, Nevada, and so on. And we would meet periodically and discuss items of interest, discuss where the industry was going, how it was going. And on that basis we were able to keep close contact with each other, and we weren't in competition with each other, so therefore we would freely exchange information.

Seney:

I'm using the word "interconnection" not in a knowledgeable sense. When you use it, you mean utilities that are . . . (Gremban: Physical connection with power lines.) Right, and I don't mean it that way, obviously. I meant it in kind of an association sense. (Gremban: Right, which we did have.) You *do* get together and talk.

Gremban:

And on a national basis we had the Edison Electric Institute, and they were *the* 

granddaddy of the organizations. (Seney: Sure.) So it was very cohesive, a very closely-knit group.

# Sierra Pacific Provides Gas, Electricity and Water

Seney: Now Sierra Pacific does gas, electricity, and

water. (Gremban: And water, right.) Is that common for all three to be together? Or is it

unusual for water to be in the mix?

Gremban: It was not unusual at one time. It's becoming

more unusual now. For one thing, the Federal Power Act, frowned on the utilities having electric *and* gas, and therefore, in some instances, [it] forced them to separate and create a new company, dispose themselves. (Seney: Why?) Because they felt that you should have the competition in the energy

field.

Seney: What year are we talking about with this

Power Act?

Gremban: Starting in about the 1960s. The Federal

Power Act came even sooner than that. But they tried to divorce those companies. We were a small company, and at that time the gas business wasn't that great a portion of the total business that we were doing—and still isn't that

major. It's about ten, twelve percent, something like that.

Seney: About what the water is.

Gremban: About the same thing as the water. But

Central Illinois, for example, had electric, gas, water, steam heat, and bus. So it was not

unusual.

Seney: Would they have, you mean, steam heat from a

central point?

Gremban: From one of the power plants on the river, and

they piped the steam heat to downtown

businesses, sold heating to them.

Seney: Was this kind of excess, you mean?

Gremban: Well, the boiler was designed so that it would

develop that excess steam that they could

divert for steam heating purposes.

Seney: Very interesting. That must be kind of

unusual.

Gremban: Well, it wasn't at one time. There were other

companies that had steam heat facilities. I don't think you'll find any of them any more. It was inefficient, really, inefficient, and you lose

a lot of heat between the plant and the business itself, so it was inefficient, and they have subsequently gone into gas heat, which is *far* more efficient for heating purposes.

## The Importance of Water to Sierra Pacific Power

Seney: Sierra Pacific has kind of always been more an

electric company than anything else, has it not,

and regards itself as such?

Gremban: Primarily as an electric company, right.

Seney: You know, as I look into these matters on the

Newlands Project and on the Truckee River and all that, it seems to me—and correct me if I'm wrong—that the water is important to you at Sierra Power, because it's the key to growth for creating demand for the electricity. Am I

thinking in the right direction here?

Gremban: You're correct.

Seney: You're kind of looking over your glasses at me

now like you don't want to tell me too much! (both chuckle) I want you to give me kind of

an insight into your thinking here.

Gremban: That isn't the situation at all. Sierra Pacific is a

combination of somewhere around eighty

different companies, and they were all little water companies, a little gas company, coke gas company, a little electric utility, and slowly but surely they combined, and as they did so, we wound up with electric, gas, and water, and never *did* dispose of the water facilities. And never thought that water would be as important and *critical* an item as it is right now. And it wasn't really until about the 1960s, so prior to that, there was no particular reason to dispose of them. They were making a return on it, so why not continue making the return?

Then in the 1960s, as the demand for water grew, as the community grew, we felt that we should continue to be the supplier of water in the area, in large part due to the fact that we had seen other water utilities that were sold, disposed of. They were kept for a short period of time while the company that took them over drained them of all of their important assets, and then disposed of them again to the community. And we didn't want to see that happen, and our board felt very strongly that we should retain control, ownership, of the water system, that we could do it better than other companies who had not been in the area, and could provide the service probably cheaper than any governmental entity can.

Seney:

I would think, too, it must have been a hard-headed business decision to say, "Listen, this is the key to our growth on the electric side where we make most of our money. If we want to grow on the electric side, we need to make sure we've got a stable water supply. We can't depend on anybody but ourselves for that." (Gremban: True.)

Gremban:

We didn't think of it in those terms, though, we really didn't. Primarily thinking in terms of who can best provide the service in the area? And even though we *knew* that it had an important impact on what the area was going to grow like, we never really focused on that facet of it itself.

Seney:

Although I expect by now the company *would* focus in that way.

Gremban:

Now, I'm sure they would pretty well keep that in mind.

#### Mr. Gremban's Career at Sierra Pacific Power

Seney:

Right. Let's go back. I want to talk a little bit about how your career progresses at Sierra Pacific Power, because you start in the early 60s as assistant treasurer. Did you know right away, "Boy, this is a great idea!" Did you

come home and say, "Honey, we did the right thing. This is the smartest move we've made yet." Did you have that feeling pretty much right away?

Gremban:

No, not initially. Again, we came, we knew or felt pretty strongly the area was going to grow, there were going to be opportunities here, but never dreamt that it would grow as fast as it did. And as far as my career was concerned, I went from assistant treasurer, to assistant treasurer-assistant secretary combination, and then to secretary and assistant treasurer, secretary to treasurer, treasurer, financial V-P., executive V-P, and so on. The moves just came very regularly. And I had the advantage of having the financial background which virtually no one else had here at the time, because we were growing so rapidly, and I was there at the beginning. You know, so much of a person's career can be set not necessarily on how capable you were at the time-that goes with it too-but were you in the right place at the right time?

Seney:

Sure, luck and timing, right. You know, in some corporations, moving up in these senior positions, it's kind of a competitive world. Was that true at Sierra Pacific Power? Was there a good deal of competition in terms of

moving up to the more senior positions?

Gremban: There was *some* competition, yes–not as many

individuals involved, again, because of the smaller company. And it didn't begin growing until later on, and consequently you didn't have the people who would be in a position to be

competing in the same manner.

Seney: At what point did your duties begin to bring

you into contact with the board so that they would have a direct knowledge of what kind of

a person you were, and your work?

Gremban: As soon as I made assistant secretary, because

I was in at all of the board meetings, and as assistant treasurer I provided them with information. At that time, the treasurer was Ralph Holdcraft and he and I worked together to provide all of the information that Stone-Webster had been providing in the previous period of time. So that just developed, and we

developed it as we went along.

# The Power of the Board of Directors and the Power of the President of Sierra Pacific Power

Seney: You know, in some corporations, the boards

are *it*. In other corporations, the presidents have a big voice in picking the boards, the

president is—I don't want to say *more* important than the board—but the president plays a very key role in helping to select who the board members will be, they tend to defer to the president. How would you describe Sierra Pacific Power in the sense of the power of the board versus the power of the president?

Gremban:

I think it was the power of the board to begin with. After the Stone-Webster divestiture, they owned the stock of Sierra Pacific Power and in '37, under the Holding Company Act, they had to divest themselves of it. But the people who were then on the board were pretty much named by Stone-Webster at that time, so that the people on the board were mostly Easterners-very capable individuals, extremely capable. When you look at Dave Babson, I think you've probably heard the name yourself before, (Seney: Right, I have.) in the financial area, in investments, he had his own investment firm-you couldn't find a man more capable than he was. Arthur Babson, with the Babson Reports. Ted Pratt-he was in the investment business. All of them had backgrounds like that, were strong individuals, and they were tremendous board members, and they were the ones who selected the management of the company. And they actually were the controlling board members,

because we didn't have but one from the West, and that was the president of the company.

Seney: And he was a member of the board, too.

Gremban: And he was a member of the board. And

Frank Tracy was the first president of the company. Of course there were managers and so forth before him. But he was the first president of the company. He was the first board member then from the West. His successor, Fred Fletcher, at that time asked the board to start bringing in more western people onto the Board of Directors. And the board agreed that we ought to start moving towards representation from our own service area. And so slowly but surely, as they retired from the board, we would name a new member from

Seney: And necessarily the president would have a big

voice in suggesting maybe who that might be?

Gremban: He would suggest, but the board always

this western area.

determined who the board members were going to be. They never relied solely on the president for naming a board member.

Seney: So it began to shift. And by the time you were

president . . . .

Gremban: It was about half-and-half. We still kept on

moving to the West, although we tried to get a more broad perspective of what was taking place. We wanted members from the northern part of the U.S., from the South, from the West, the East, and so forth. So we searched for those. But the board always had a management committee who would select the board members as well as the officers of the company.

Seney: I see. And did the president serve on that

management committee?

Gremban: The president was on the management

> committee as well. He didn't have the final voice—the board always had the final voice on

it.

## **Becoming President of Sierra Pacific Power**

Seney: In terms of your moving up the ranks, I expect

> the key appointment was probably when you became executive vice-president. (Gremban: Oh yes.) Would that have marked you as probably going to be the next president?

Gremban: That did, but prior to that, when I became the

> financial vice-president, we ran into the "credit crunch" of the 70s, and that is a period of time

when companies all over the country moved away from engineering individuals heading up companies to financial people heading up companies, because under the credit situation that we had in those years, it was credit that made or broke a company.

Seney: Sure. And this was the very period in which

this bank trust funding was dreamt up, by you,

I take it.

Gremban: Well, that was a little later yet, but as a result

of the . . . .

END SIDE 2, TAPE 1. OCTOBER 21, 1994. BEGIN SIDE 1, TAPE 2. OCTOBER 21, 1994.

Seney: This is Donald Seney. Today is October 21,

1994. I'm with Mr. Joe L. Gremban at his

home in Reno, Nevada.

You know, as the tape was running out you were just starting to say that in the credit crunch, the finance people were getting to be more key.

Gremban:

That's right. And that's when companies all over the country started going to their treasury or financial end of the business to bring in presidents and chairmen to operate the

company. And that's where I had the

advantage because I was a senior member who

had that type of background.

Seney: And the previous people had been engineering

people.

Gremban: That's right.

Seney: I can't remember what Mr. Plath's background

was.

Gremban: He was an engineer.

Seney: That's right.

Seney: Was he your immediate predecessor?

Gremban: Yes, right.

Seney: And what year did you become president?

Gremban: In 1975.

Seney: So I take it when I ask you about politics and

you sort of said, "Well, maybe there was," I take it this was the kind of politics, that the finance people now were becoming more important than the engineering people within

the corporation?

Gremban: That was part of it, right.

Seney: What else?

Gremban: Well, we did have an attorney, Dick Campbell,

who was part of the organization, about my

age at that time.

Seney: Wanted to be president?

Gremban: He had aspirations, right. We went to

management schools—I went to Michigan, he went to Michigan—and I'm sure that whatever the university's analysis of our capabilities and performance, were undoubtedly passed on to

the company.

Seney: At this point in your careers, you went to the

University of Michigan for some management

training?

Gremban: Well, it was a public utilities course,

background and information about utilities in general, what they were involved in, the financial aspects, engineering operations and

so forth.

Seney: And you think this was clearly passed back to

the board and may have had (Gremban: Oh, there's no question.) a decisive influence here.

(Gremban: Right.)

# Mr. Grenbam's Management Style

What kind of a boss is Joe Gremban?

Gremban: Probably ought to ask somebody else!

(chuckles)

Seney: Well, I know, but I'm going to ask you right

now. See, let me tell you, you strike me as

being pretty tough.

Gremban: Tough?

Seney: Tough, yeah. I don't mean arbitrary, and I

don't mean nasty. And I don't mean "mean." I mean *tough*, and that's not necessarily a bad thing. It's probably a good thing, as a matter of fact, when you've got a lot of authority and responsibility. Would you agree with that?

Gremban: I have been so characterized.

Seney: This is not the first time you've heard the word.

Gremban: No, it sure isn't. But I try to operate on the

basis of working *with* people, getting people to provide information and take responsibilities for whatever field that they were involved

with-whether it be engineering, operations or water or what-have-you. I held management meetings every week, where the top management would get together. We discuss the issues, we discuss strategy, we discuss where we were trying to go and how we wanted to get there. And probably I was as demanding as anybody could be. I felt that performance was critical and that we couldn't just ride along doing things as we had always done it, that we should constantly be striving for something different, something new, something better. I'm always reminded of, I think it was J-C Penney said, "Now, things have been done this way for twenty years. If for no other reason, look at it and see if it can be done better." And I agree with that philosophy. You have to keep up with the times and try to keep ahead of them if you possibly can.

# The Pressures on Sierra Pacific Power as Mr, Gremban Becomes President

Seney: What did you have in mind when you became

president, to do? Did you have policies in mind, things that you wanted to do, directions that you wanted to take the company in?

Gremban: When I became president, it was probably one

of the most critical periods of time in the utility industry, because we had gone through a period of time of tremendous growth, and this was utilities all over the country that did that. We went through a period of time where availability of money was awfully tight and you had to be very careful of how you operated in order to be able to survive. You no longer could operate on the assumption that if you kept your bond ratings, for example, at the lowest level possible so you could leverage your earnings [that you could continue operating].<sup>3</sup> You got yourself in a bind where you couldn't finance the company then, because your interest costs were so high that your earnings couldn't cover the costs. So you had to start moving away from those ratings of about-I think we were down to twenty-eight percent [equity ratio]<sup>4</sup> as far as stock was concerned, and the balance was in bonds. Well, we *almost* got to the point we couldn't finance, and we did issue more stock, we did manage to keep ourselves afloat, and start increasing our equity ratio. (Seney: This is your debt to equity ratio?) Debt to equity ratio, so that by the time I left the company we had it up to about forty-five percent and growing. So

- 3. Addition in the text provided by Mr. Gremban.
- 4. Addition in the text provided by Mr. Gremban.

we had to move *through* that period of time when it was so critical financially, *just* to remain solvent, to be able to continue providing services that the public demanded.

But this was *also* a period of time when the oil embargo hit, and the price of oil just took off unbelievably fast: it went from somewhere around three dollars a barrel, to fifteen dollars, to thirty dollars, and that fuel cost is your single biggest cost for operating a utility. And so that meant that you had to raise rates. Well, you can't just arbitrarily raise rates, because you're under the jurisdiction of the Public Service Commission, the Federal Power Commission, and so on. So we had to work with the Public Service Commission, and try to accommodate the needs of the company as well as the concerns of the public, because the public felt that we were arbitrarily raising rates without justification. No matter how you tried to explain those fuel costs, you never really were able to make that point. And so we worked with the Public Service Commission to the extent we could, but they were under pressure too.

And then we worked with the Legislature and the governor in getting statutory changes made to the commission authority that would enable us to maintain an adequate financial rating, as well as keep our rates as low as we possibly could. So we had some real trying times. (Seney: Very challenging.) Very challenging, to say the least.

And it was also obvious about the time that the 1980s had rolled around, that the Public Service Commissions, under pressure from the consumers, just were not going to allow rate increases as they were required. They were not going to allow construction of new facilities unless *they* had some say in exactly how it was to be done. They, just because of the public pressure, were not able to be responsive to the needs of the utility. Now, they also, in our particular case, felt that we ought to have one of the entities support the other: the electric support the gas or water, or vice versa, so you wouldn't *have* to make changes in some of those rates.

Overall, it became so difficult to work with and we did have a real estate company on top of it, which they felt was a drag on the company, that we decided the only approach we could take was to form a holding company, so that the regulated utilities could be off by themselves, regulated by the Public Service

Commission, and the nonregulated off by themselves doing their own thing. And so I think it was in '84-'85, we formed the holding company. In 1978, for example, we ran into a period of time when gas supply was critical. At that point in time, the East Coast was short of natural gas. We, rather than burn natural gas in the power plants, allowed it to be shipped down through Southern California, Texas, and on up to the East Coast. We burned oil. Of course those utilities had to reimburse us for those costs. But because the natural gas supply was so short at that time, and predictions were that we were running out of natural gas, we set up a company to go into the natural gas exploration development business. Well, as it turns out, about five years later, the supply of gas is back where it had been.

Seney: Yes, there's plenty, as it turns out.

Gremban: We didn't quite make out as we thought we

would with the independent gas company.

Seney: When you say you set up the regulated and the

nonregulated, which go into which one of

those categories?

Gremban: Electric, gas, and water go into the regulated.

Everything else goes in the nonregulated.

Seney: Everything else being real estate and . . .

Gremban: Real estate and the oil/gas development

company. We were also starting to set up a company that would have been an independent

generating company.

# The Problems of Water for Sierra Pacific Power and the Building of Stampede Reservoir

Seney: Let's talk a little about the water now

specifically, about the Preliminary Settlement Agreement<sup>5</sup> and so forth. We talked some

- 5. Public Law 101-618 became law on November 16, 1990. The law contains two acts: The Fallon Paiute-Shoshone Tribal Settlement Act and the Truckee-Carson-Pyramid Lake Water Rights Settlement Act. The main topics of the legislation are:
- Fallon Paiute-Shoshone Tribal Settlement Act
- Interstate allocation of waters of the Truckee and Carson rivers
- Negotiation of a new Truckee River Operating Agreement (TROA)
- Water rights purchase program is authorized for the Lahontan Valley wetlands, with the intent of sustaining an average of about 25,000 acres of wetlands.
- Recovery program is to be developed for the Pyramid Lake cui-ui and Lahontan cutthroat trout
- The Newlands Project is re-authorized to serve additional (continued...)

time ago, I asked you about the percentage of time you spent as president on water matters, and you said it wasn't really a great deal.

Gremban:

Well, the water situation did *not* become critical just overnight. This is something that has evolved and developed over time. And even back in the early 60s, the president at that time was Fred Fletcher, and he recognized the fact that someday in the future we're going to need additional water supply over and above the water rights that the company currently owned. And he developed a program which we perpetuated, of purchasing as many of the water rights as we possibly could as they become available. At that time we were buying water rights for as little as \$25 to \$50 an acre foot. Now they're approximately \$3,000. So it has changed tremendously. But recognizing that water was going to be critical, the federal government and the entities

(...continued)
purposes, including recreation, fish and wildlife, and municipal
water supply for Churchill and Lyon Counties. A project

efficiency study is required

 Contingencies are placed on the effective date of the legislation and various parties to the settlement are required to dismiss specified litigation.

Source is: http://www.usbr.gov/mp/lbao/public\_law\_101-618.html (accessed on December 2011).

involved in the local area developed the opportunity to construct the Stampede Water Reservoir. And initially everyone thought the reservoir was to be used for municipal and industrial water. And that's the basis on which they operated. And I, on behalf of the president, made some studies as to whether or not we could support purchasing water from Stampede Reservoir to serve the local area, and it developed that it was feasible, and we moved forward and tried to work with the Department of Interior, Bureau of Reclamation, all of the other entities, in getting Stampede Reservoir built and water stored.

Seney: You all worked to support the legislation for

the Washoe Project, then?

Gremban: That's right. And the project was approved.<sup>7</sup>

The problems then began to develop as to what

<sup>6.</sup> A key feature of the Bureau of Reclamation's Washoe Project in Nevada, Stampede Reservoir provides water for fishery enhancement along the Truckee River and Pyramid Lake Fishway facilities operations.

<sup>7.</sup> Authorized in 1956, the Washoe Project consists of Prosser Creek Dam, Stampede Dam and Marble Bluff Dam to improve the regulation of the runoff from the Truckee and lower Carson River systems. For more information see, Carolyn Hartl, "Washoe Project," Denver: Bureau of Reclamation History Program, 2001, www.usbr.gov/history/projhist.html.

the *purpose* of that reservoir was. And of course the Paiute Indians were under the impression that that was to be used for maintaining the level of Pyramid Lake and to be able to maintain the cutthroat and the *cui-ui* fish. So a compact had been developed by all of the entities and approved and sent to the [U.S.] Department of Interior for signing. The [U.S.] Department of Interior never signed that compact. It was a water agreement between the parties, but the Department of Interior never signed it.

Seney: Over who would control the water in

Stampede [Reservoir]?

Gremban: That's right, over who would get the use of that

water in Stampede.

Seney: That's what I mean, right.

Gremban: And so they tried to get the department to sign

many times, and never were able to

accomplish that. They tried to work through the federal government in Washington, and through our congressional staffs, but that never

did get accomplished.

Seney: You must have put some considerable political

effort into that, I would think. Did you?

Gremban: Oh, they did! Yes, very definitely. And as

time went by, and it was obvious that it wasn't just a simple matter of getting a compact agreed, we worked with Senator [Paul] Laxalt to try and develop an agreement with the Paiute Indian Tribe, Truckee-Carson Irrigation

District [TCID]—primarily those

three—ourselves, of course, and those other two, to get an agreement whereby we could operate Stampede for municipal-industrial *and* some for the Truckee-Carson Irrigation District

and for the Paiute Indians.

# The Opposition of Pyramid Lake Indians to an Agreement over Stampede Reservoir

Seney: To get an agreement that you *could* get signed

by the Secretary of the Interior.

Gremban: Right. We *thought* we had such an agreement

prepared, and agreed to by all of the parties. And when it came to appearing in Washington before congressional committees to try and get the Congress to approve of this agreement, we ran into some real obstacles—primarily from

the Paiute Indian Tribe.

Seney: They opposed it, didn't they?

Gremban: Opposed it, as of that time. We had the

agreement with a group who were in control at the Tribal Council at that time, but there was another group that came along and said that they wouldn't accept it. And you can't bind them on prior agreements of prior people, any more than you can bind a Public Service Commission to actions of prior Public Service Commissions. So it was obvious the thing went down the tube, and there was no way of getting an agreement between the parties, and to get that approved by Congress. So we gave up on that particular effort. Paul Laxalt dropped out of the picture, he no longer pursued it.

## Working with the Pyramid Lake Tribe for a Settlement

When we got back from Washington, I called Joe Ely<sup>8</sup> [Tribal Chairman of the Pyramid Lake Paiute Tribe] and we got together at Continental Lodge for a cup of coffee one morning, and we talked about the attempted settlement. We talked about how

<sup>8.</sup> Mr. Ely participated in the Bureau of Reclamation's oral history program, see Joseph (Joe) H. Ely, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interview, conducted by Donald B. Seney, edited by Donald B. Seney an further edited and desktop published by Brit Allan Storey, senior historian, Bureau of Reclamation, 2011, www.usbr.gov/history/oralhist.html.

long it had been taking, how many years it's been under litigation by Truckee-Carson Irrigation District, by the company, by the Indians, we jointly concluded that the *only* way this thing could ever be resolved is to negotiate an agreement that all parties could live with. I think the time was appropriate, it was perfect, because the people who had drafted the original compact were now retired. And so these were new faces, new people, who were coming on board, with a new perspective.

Seney: On your company, you mean?

Gremban:

Not just our company, but on the part of T-C-I-D, on the part of the Indians, on the part of the community. And so we agreed we would move forward and continue working on this until we were able to come up with a settlement. It took approximately four years—I believe it was about four years. We also enlisted the office of Senator [Harry] Reid<sup>9</sup> in assisting us, and he, with the Department of the Interior, with the Bureau of Reclamation,

<sup>9.</sup> Senator Reid participated in the Bureau of Reclamation's oral history program, see Harry Reid, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interview, conducted by Donald B. Seney, edited by Donald B. Seney an further edited and desktop published by Brit Allan Storey, senior historian, Bureau of Reclamation, 2013, www.usbr.gov/history/oralhist.htme.

and working with all the other groups. . . . As we moved along, there was always another group that wanted in as part of the total negotiations. He and his staff were able to take the lead of continuing the process going. And there were many a time when I'm sure Joe Ely, representing the Paiute Indians, was about ready to toss in the towel, and we were also, but we did continue on. And I have to give an awful lot of credit to Joe Ely. We committed ourselves, he was a man of his word, and he kept right on.

Seney: He says the same thing about you. Apparently

you two were able to get along.

Gremban: Developed a good relationship.

Seney: And that's important in a matter like this, isn't

it?

Gremban: It sure is.

Seney: And my understanding is that you were

specific in attempting to do that. That is, you realized that there had been a lot of mistrust and a lot of bad history here, and that some confidence-building was in order, preliminary

to negotiating this. Am I right in

understanding that?

Gremban:

That's right, absolutely. And Joe and I did develop a good relationship on that. He had, as his attorney, [Robert F.] Pelcyger.<sup>10</sup> [Bob] is a *very* competent individual, very knowledgeable on water, and not much doubt he had the interests of the Paiute Tribe at heart. When he would get to a point where we came to loggerheads, Joe would step in and discuss and direct. [Bob] Pelcyger and I would do the same thing with our staffs, and we kept the entire process moving.

Seney:

Well, I'm told that from time-to-time you and Joe Ely would take little walks together, and iron things out.

Gremban:

That's right. That's about the only way you could do that. He had the confidence in me that I wanted a settlement, as much as I did in him, knowing that *he* wanted something. And as we discussed, sooner or later, this had to come to a head of one type or another. But if

<sup>10.</sup> Mr. Pelcyger participated in the Bureau of Reclamation's oral history program, see Robert (Bob) S. Pelcyger, *Oral History Interviews* Transcript of tape-recorded Bureau of Reclamation Oral History Interviews, conducted by Professor Donald B Seney, in 1995 and 2006, in Reno, Nevada, and Boulder, Colorado, 1995 interviews edited by Donald B. Seney and all other interviews further edited and desktop published by Brit Allan Storey, senior historian of the Bureau of Reclamation, 2013, www.usbr.gov/history/oralhist.html.

you did it through courts, nobody would ever wind up happy with it. Therefore, in the best interest of the tribe, in the best interest of our community, we *had* to come up with some resolution to the whole problem.

Seney:

Now you were in a position as president to take these walks with Joe Ely and say, "This company will do this," and you had confidence that your board would back you on this matter.

Gremban:

Well, before I did, I met with the board and apprised them of what we were attempting to do. We had an opportunity during that time to sell the water company as well, but the board turned it down and felt that we could do a much better job than new people coming in and attempting to do what we were doing. And I kept the board informed all the time of how we were proceeding.

Seney:

Did they make formal instructions to you? (Gremban: No.) Did they say, "Work it out, whatever you think . . ."

Gremban:

They just said, "You move forward, and to the best of your ability, let's see if we can't get this thing settled."

Seney:

Now I'm told that you kept saying to your

people, "Make sure you get fifty-seven

percent."

Gremban: Fifty-seven percent?! (laughter)

Seney: Of the storage capacity. Does that number ring

a bell?

Gremban: No, it sure doesn't.

Seney: As the negotiations were going forward, and

you would meet with your people, I've been told that you'd say, "Now make sure we've got fifty-seven percent there for those drought

years."

Gremban: Well, you know, the whole process evolves,

and when you first start, you think in terms of "you need fifty-seven percent of the capacity in order to accommodate the local needs." But then we had some consultants, Joe Burns and Associates, who were our hydrologists and individuals who knew the watershed, knew the lake, and were able to develop computer programs on how the whole system operated, which included Lake Tahoe, Stampede, Boca, Prosser [reservoirs]—all of the reservoirs upstream. It took into consideration what the fish needs were in the way of releases of water to accommodate the fish spawning. And as

time went by, we found that things could be changed and get the same results without having to have all of that water that we thought would have been necessary. And you would take care of the Indian needs, you would take care of ours, you'd take care of T-C-I-D. So all of this evolves over time, and a lot of study, a lot of work. And I think the agreement that we came up with, the Negotiated Settlement, was excellent, but we recognized that we couldn't take the time as of right then to negotiate an operating agreement, because there were so many parameters involved, that we had to set that aside as part of the settlement to be done subsequently, and that's what they're working at right now.

Seney: The Settlement II negotiations, you mean, and

the TROA [Truckee River Operating

Agreement]?

Gremban: The settlement for operating criteria.

Seney: Ah, you mean the Truckee River Operating

Agreement, the new one. (Gremban: Right.)

Those negotiations.

Gremban: Those negotiations right.

Seney: You know, I've actually attended a session of

those negotiations, and I'll tell you, it is the most complicated stuff.

Gremban: Oh, gosh yes!

Seney: I cannot believe how little of it I understood,

and I thought I was learning something. I mean, this is very complicated stuff. And I expect at the level that *you're* interested in it, as the president of the company, you've got to have kind of a general picture in your mind of what you want to accomplish. Can you give me a sense of what that was that you had in mind generally, that you wanted to accomplish, and you instructed your people to pursue?

and you instructed your people to pursue?

Gremban: Well, as a result of the work that had taken

place while we were negotiating this settlement, we'd come up with so much information on how the system could be operated, that it seemed apparent to me and to our staff that there was enough water in the whole system to be able to accommodate the needs of our municipal requirements for at least forty to fifty years, *if* it were operated appropriately. So our goal was to set what had to be done, or to set a goal of what had to be done, that *would* accommodate our needs for that period of time—at the same time, take care of all of the other requirements on the part of

the Indian tribe: maintain the level of Pyramid Lake, maintain releases as they ought to be made, as they ought to be operated, because if we can do so, everybody gains by it. And that's the direction that Joe [Ely] and I were heading for.

Seney:

I might say the sort of general proposition here is that the Indians had the reservoir, and you had the water, and that it was a question of letting you store your water in their reservoir and dividing up the use of it in such a way as to accommodate everyone. Have I got it wrong here?

Gremban:

Not exactly. We didn't have all of that water. There's still a lot of irrigation rights outstanding. Truckee-Carson Irrigation District had a certain amount of water rights that *they* owned. The Paiute Indian Tribe had basic rights that they had—however, they didn't have as *many* water rights as we did, or T-C-I-D did, because they didn't have any real irrigation going on down there at the time. What their real concern was, was to stabilize the level of the lake, and accommodate, get the endangered *cui-ui* and the cutthroat trout off that endangered list. So that was their idea.

Now we had the water, yes. We didn't

have the storage, true. But you only store water in extremely wet years, because that's the only time you have excess water. And so inasmuch as the Bureau of Reclamation, Department of Interior felt that the Stampede Reservoir was for the use of the Paiute Indians, we couldn't just say, "Well, store that water for us." We *had* to try to accommodate each other. And that was the ticklish part of the whole thing. And we discovered that we didn't need as much water in storage as we thought we would. And we started out initially asking for storage space of about 100,000-120,000 acre feet.

END SIDE 1, TAPE 2. OCTOBER 21, 1994. BEGIN SIDE 2, TAPE 2. OCTOBER 21, 1994.

Gremban:

Gradually, as we could see how the system would operate, we could determine we didn't need that much water. And during period of time when there was excess water, store everything you can. When the Indians need it, let them have it. And they guaranteed us that 50,000 acre foot pool. But we could go above it and accumulate storage out of Independence Lake, for example, and add to that pool. But if they needed some excess water for their releases for the fish, we could give them that release out of the water supply that we had. So

that's the kind of interrelationship that you had to develop, and which they're working on now.

Seney:

Right. You must have come to a more sympathetic understanding of the Indian situation through these negotiations and your contact with Ely. Did you, do you think?

## What Had Happened to Pyramid Lake

Gremban: Probably so. I always was sympathetic with

the Paiute Indians. That Pyramid Lake is a tremendous resource, there's no getting around it. We just happened to be fishing there today, too. Only got one there that we kept. But at

any rate . . . .

Seney: Is that why we couldn't meet this morning?

(Gremban: Exactly!) Well, that's a very legitimate excuse, I accept that! (laughs)

Gremban: That had been arranged some time before.

(Seney: That's fine.) But the Truckee-Carson Irrigation District, as a result of that Newlands Project, diverted an awful lot of water out of the Truckee River which could have gone down to Pyramid Lake. And in fact, there were some times when the diversion was as high as 500,000, 600,000, even 700,000 acre feet. They only needed somewhere around, I

think they were at about 280,000 or 300,000 acre feet now. So that meant there were 200,000, 300,000, 400,000 feet of excess water that didn't go down to Pyramid Lake. As a result, the lake level kept dropping and dropping. The only purpose of that water was to develop hydropower. (Seney: The winter runs.) The winter runs in the hydropower. There was no irrigation going on during that period of time, but they used that water and diverted it for that purpose. True, the runoff went to Stillwater and developed the Stillwater Marshes. Now you're in a situation, if you cut back on the amount of water that's going through, you reduce the size of the Stillwater Marshes. You improve and perhaps even raise the level of the lake. So again, you're torn as to how much you give to whom, in order to accommodate whatever the environmental/ecological purposes are.

## Sierra Pacific Studies of the River System

Seney: Let me go back to something you said about

Mr. Burns and your hydrologist. Now I know he's a private engineering person (Gremban: Yes.) but you have in-house capacity too, to

some extent, do you not?

Gremban: Oh yes, we do.

Seney:

You know, I am told by all sides on this that your figures are excellent, people trust your numbers. And in fact, that your excellent numbers is one of the sources of influence that Sierra Pacific Power has because you're sort of the keeper of all of the numbers. (Gremban: Exactly.) Has this been a policy that you've said, "Let's get it right, let's make sure we get these numbers out straight"?

Gremban:

We had an understanding with Joe Burns. He is the producer of those numbers, his firm. And we supplied him with all the data. We didn't have the staff that could do that, or a large enough staff that could do it, and could devote the amount of time that he did to it. But they developed all these computer studies and what happens if the temperatures are suchand-such a figure when you're releasing water? What are the temperatures that are required for fish runs and so on? How much water should be released to attract the fish to come up? They developed all that. And of course it was our figures, he worked for us. But in working those figures up, he also worked with the hydrologist for the Paiute Indians, [Bob] Pelcyger and *their* hydrologist. And they agreed that these figures were correct, but he had the only program, we had the only program that could produce these results. But

they were comfortable with them, because they could review them. So they were very comfortable with them.

## The Success of Sierra Pacific Power in Water Matters

Seney:

You know, my impression, in looking over the history of this, that Sierra Pacific Power and its predecessor the Sierra General Electric Company. I don't have that quite right, but [they] have been *very* successful in these matters. Certainly I think the Preliminary Settlement Agreement between the company and the tribe—the tribe is very happy with it, Joe Ely speaks well of it and is satisfied, as you are, with it, and that speaks well for the agreement. I mean, you both did well here. But Sierra Pacific Power has been very successful. How do you explain that?

Gremban: Successful in the water?

Seney:

Yes, whenever there were negotiations and settlements to be made, some people win, some people lose—I doubt that you'll always get everything you want, that Sierra ever gets everything it wants—(Gremban: Never.) but you do well, you consistently do very well. And if I were to ask you to explain that to me, with the bark off, how would you explain that?

Gremban:

See, one thing that we tried to do constantly, whether it's water or electric or the gas, was to be absolutely sure of our facts. One of the major points I made with our staff was, "Be absolutely positive of what you are dealing with, and at no time, don't ever say something that you cannot substantiate. And don't ever give a story that you can't support, because next time you're up there, you may not remember. And therefore, be absolutely positive of your facts. And take all the time you need to develop the information, but be sure of what you have developed." And by the same token, you have to be able to accommodate people. You can't just arbitrarily say, "This is what the requirement is, this is what our position is, and we'll never move from it." You have to be able to accommodate other people while you're working.

Seney:

So you've got a pragmatic outlook. I hope this doesn't surprise you when I tell you that people say that politically that Sierra Pacific is an influential company, that it has good entre to, and some influence with the elected representatives of the state: the governor, the members of the State Legislature, the members of the congressional delegation, the senators and members of the House as well. Would you agree with that?

Gremban: I would, yeah.

Seney: Is that something, as president, that you took

some care with, and would that have come under your direct responsibilities? You must employ lobbyists—all companies do—I'm sure you must have lobbying people on your staff, or hire people to do lobbying, but would that have been part of your direct responsibilities, to have lunch once in a while with Senator Reid or Senator Laxalt or with whomever was

governor and that kind of thing?

Gremban: Yes, we did hire a lobbyist here in the local

> area, State Legislature, Wally Warren, who's considered the dean of the lobbyists in the state, until he passed away a few years ago. His son continued on after that. And they too were given the opportunity to represent the company as they thought was necessary, and always keeping in mind that the information you give has to be absolutely correct, because

you destroy your credibility if you do not.

Seney: Absolutely. Lobbyists can't lie, or they're

worthless then.

Gremban: That's right. And we also had contact, we

> periodically have a luncheon in the Las Vegas area and invite all of our legislative friends to

it, and then up north here. We try to keep contact with those people all the time, and we always told them, "If you have any question, you come to us, and we'll give you the scoop, whether it's good or bad or whatever it is, we'll tell you what it is. We'll give you the truth and nothing but." And I think it was well appreciated.

Seney:

So you would meet with, say, Senator Reid or Senator Laxalt, and obviously you're on a first-name basis with these people. (Gremban: Right.) I mean, it's a small state, but even in a large one, someone in a position like yours would know who the political officials were. (Gremban: Definitely.) What about campaign contributions? I'm not sure what the law is in Nevada. Can Sierra Pacific Power contribute to political campaigns?

Gremban: Not as a company, no.

Seney: You could as an individual, if you saw fit?

Gremban: I can as an individual, our employee PAC

[political action committee] can, but the company cannot. So we never attempted to.

Seney: California is the same way. (Gremban: Right.)

Of course in federal elections, the restrictions

are somewhat different.

Gremban: We never contributed on the basis of a

company contribution.

Seney: But your company PAC would?

Gremban: The company PAC would.

Seney: You all would make contributions to that, say,

an executive PAC?

Gremban: Well, we didn't have an executive PAC-we

had an employee PAC. We contributed to the PAC, but the management of that PAC was left with the employees so that I or other top members of the company would not influence

them.

Seney: I want to get a good answer out of you, and I

know you're going to be guarded here, because I can see it on your face. How would you characterize the money from the PAC in the mix of influence that you would have with, say, a member of the United States Senate? Would that be an important part of the mix?

Gremban: I would say no, or any of the legislative

candidates either. The PAC contributions to them were rarely over \$300-\$400, very minor.

I think the important thing was that personal contact that we had with them. That meant more than anything else. And they knew if they had a problem and they needed information, they could come to us and they could get it. And they could rely on it.

Seney:

Right. As you well know, that's absolutely the coin of exchange in politics: you lie to them once and embarrass them (Gremban: You've had it.) and that's the end of you. (Gremban: That's right.) That's a dead end road.

## **Truckee-Carson Irrigation District**

Let me ask you about T-C-I-D [Truckee Carson Irrigation District]. And if you don't mind, if we could just finish this one tape, about another ten minutes, and that'll be enough. (Gremban: Alright.) Let me ask you about T-C-I-D. I'm told that when the Preliminary Settlement Agreement was successful with the Pyramid Lake Indians, that you made an overture to the president of T-C-I-D. Ted de Braga<sup>11</sup> has said that you called

(continued...)

<sup>11.</sup> Mr. de Braga participated in the Bureau of Reclamation's oral history program, see Ted de Braga, *Oral History Interviews*, Transcript of tape-recorded Bureau of Reclamation Oral History Interviews,

him and said, "Listen, let's get together and talk and see if we can work some things out," and he was not receptive to that.

Gremban: That's right. I visited with . . .

Seney: And he's a good fellow, by the way. A smart

man and a sound fellow.

Gremban: I like Ted. He's a nice guy and he was real

dedicated as far as T-C-I-D was concerned. I visited with him, oh, I don't know how many times, trying to encourage him to be part of this settlement, that if you work with everybody, you're going to wind up much

further ahead.

Seney: Especially with the Pyramid Lake Indians.

Gremban: That's right, than if you go at it independently.

And if you go at it independently, you're going to wind up in lawsuits, and *nobody* wins on a lawsuit. And it's costly. I was *never* able to get that across to them or to bring them into the group as well as I would have loved to

<sup>11. (...</sup>continued) conducted by Donald B. Seney, August 5, and 11, 1994, in Fallon, Nevada, edited by Donald B. Seney, www.usbr.gov/history/oralhist.html.

have done.

Seney: How do you explain that?

Gremban: Well, they represent a group of farmers.

Having been a farmer way back when I was a kid, they're independent, and they feel that what they had was theirs and *nobody* should ever be able to take it away from them. And they honestly felt that this water was their water, and therefore the government shouldn't have anything to do or say with how it was going to be utilized. And I can understand that, but I tried to get them to recognize those aren't the facts any more. And you have to be able to work together to accommodate, to come out at the *best* position that you possibly can. And I hope that they're participating on that basis now with the operations agreement.

Seney: Well, perhaps they are, but obviously your

tutelage was for naught in this case-they just

didn't accept what you had to say.

Gremban: Right. I feel bad about that.

Seney: Well, I don't know, frankly, if it's a comment

so much on your powers of persuasion, as it is on their hard-headedness, because I think you put your finger on something here when you

say they're very independent farmers. And I think that's the first thing, as I've interviewed them, that comes out, is their independence.

Gremban: And they're a group of *real* nice people.

Seney: Absolutely.

Gremban: There's just no question about it.

Seney: Absolutely, right. Do you see much of a future

as you look out for T-C-I-D and the Newlands Project? Is it going to be around much longer, do you think? You guys would love to have some of that water, I *know* that. Right? You'd

love to work out an arrangement.

Gremban: We've talked to them about the possibility.

We've talked to them about storing their water in Donner Lake and in those years in which there's a drought, 3,000-4,000 acre feet up there doesn't do them any good at all, because it's a drop in the bucket in the total, overall 300,000 acre feet of requirements. But we would lease it from them, or we'd even buy the storage from them, or we would try to come up with some arrangement whereby if they didn't use the water, we would pay them for loss of crops. We tried all of those kind of things, and haven't been successful. I think it's going to

become more successful as time goes along, and people recognize that this is a way of accommodating things without losing in the process. I think, in fact, that can be extended to not just this Truckee River basin, but you heard about the Honey Lake water project (Seney: Yes.) and other projects outside of the area. If people would try and accomplish it on that basis, that when you have a drought, you can't do too well anyway, sell that water and recover whatever your income would have been from a continuing farming operation. And I think that's going to come around.

As far as T-C-I-D is concerned, very honestly, in the long run, I think it's going to fall by the wayside, because water is becoming more and more acute. The need is growing and the operation of an irrigation district like that is probably somewhat limited. It's getting to be less and less cost effective, because prices of everything are going up, and they just aren't going to be able to operate as they had in the past. And I think as the older people retire, the ranchers or the farmers who are there now, their kids don't want to farm any more. They would just as soon sell that, whether it's to Sierra Pacific or to the government, or to whomever. They'd just as soon sell that water as to continue operating it as they have,

because they don't want to live on the farm. So I think it may be twenty years, it may be fifty years, but it's going to disappear.

Seney:

Let me put the question to you this way: You know, I think that when the Preliminary Settlement Agreement was worked out—and I don't mean here to butter your toast—but both you and Mr. Ely showed great leadership of your entities in getting together and working that out. I mean, that's what leadership is all about—it's solving tough problems. As much as I like the people in T-C-I-D, is there a leadership problem there?

Gremban:

There is no one person that would be an individual who would try to persuade the others to go along. The closest that could have been or would have been, was Carl Dodge. 12 But Carl Dodge is retired, had been retired for a long time, and so he wasn't in a position to be able to influence them that way. No, they didn't have any one individual that would stand out as being able to speak for the entire group.

<sup>12.</sup> Carl Dodge participated in the Bureau of Reclamation's oral history program, see Senator Carl Dodge, *Oral History Interview*, Transcript of tape-recorded Bureau of Reclamation Oral History Interview, conducted by Donald B. Seney, Bureau of Reclamation, August 5, 1994, at his home in Fallon, Nevada, edited by Donald B. Seney, www.usbr.gov/history/oralhist.html.

Seney:

I guess I'm trying to get to a broader point here. Here you've got a corporation, Board of Directors, a president—I mean, that's why I asked about the relationship between the two. You've got a tribe over here with a Tribal Council, and a Tribal Chairman who's very powerful, even though of a limited duration. And then you've got an entity out here with I don't know how many, 3,000 bosses, water users. (Gremban: Something like that, right.) The one is just not structured to play with the other two, in a sense.

Gremban:

But then again, they don't have one individual that can really speak out *for* the entire group, who's *forceful* enough to take a position and stay with it, and to persuade the others that they've got to do that.

Seney:

You know, we've got a couple of minutes left on the tape. I've really asked all the questions I want to. Is there anything I haven't covered or any comments that you want to make that are important?

Gremban:

Again, I'd like to comment about Joe Ely and the part that he played in this entire settlement. There's no question, he was a key individual. And our own staff, Phil Sedges, Bob Firth, Sue Oldham, have been tremendous in helping put

this whole thing together. I wasn't in on day-to-day conversations and discussions and negotiations that took place—they were the ones that had to do it. And a *lot* of credit should be given to Joe Burns and his staff hydrologists, because the program that they put together, the computer operation of the entire system, is unique and is really something that they've needed here for a long time. It's been tremendous.

Seney:

Well, great. On behalf of the Bureau, I really appreciate you giving us this time and providing us with all this good information. We really appreciate it. Thank you.

Gremban: Very good.

END SIDE 2, TAPE 2. OCTOBER 21, 1994. END OF INTERVIEW.